



Joan McDonald
Commissioner



State of Connecticut
Department of Economic and
Community Development

***TESTIMONY SUBMITTED TO THE COMMERCE COMMITTEE
February 25, 2010***

*Joan McDonald, Commissioner
Department of Economic and Community Development*

***HB 5208 AN ACT CONCERNING EXPEDITED PERMITTING FOR ECONOMIC
DEVELOPMENT***

The Department of Economic and Community Development (DECD) offers the following comments concerning HB 5208 *An Act Concerning Expedited Permitting for Economic Development*.

DECD fully supports any effort to expedite state and local approvals for projects that grow our economy and support our state's quality of life. A common point of contention that we often hear about from the business community and developers, concerns the cost of, and timeframes related to state and local permits and approvals. The ability for businesses to efficiently receive permits and approvals via a transparent process is a significant economic development issue. Many states have taken similar approaches, balancing the regulatory requirements necessary to preserve health and safety, and maintaining a business-friendly environment that attracts investment and supports job creation.

DECD is actively supporting the permit task force established under Governor Rell's Executive Order Number 39. The task force will convene later today and begin its deliberations on how to best expedite state permits. The task force's charge is to provide its recommendations by the end of March, 2010.

DECD would like to offer the following specific comments related to HB 5208:

Permit expedition will require agency staff and regulatory staff resources. The volume of projects requesting permitting assistance may overwhelm existing resources even after applying the criteria included with the act.

Any permit expedition must be in support of projects that are compatible with the state's responsible growth strategies. Including this requirement will connect project activities with the state's goals for balancing conservation and development. Additionally, it would be inappropriate for the state to be encouraging responsible growth and assisting projects that are not compatible with these same goals. Project activities and locations should also be compatible with the state's environmental justice strategies.

While HB 5208 focuses solely on economic development projects, DECD believes that language for mill conversions to either housing or mixed-use developments should also be considered, especially when they are compatible with the state's responsible growth strategies.

DECD also believes that the minimum job threshold in Section 2(1) of HB 5208 for municipalities that do not contain an enterprise zone should be substantially higher. The committee should consider raising that threshold to 75 new jobs.

HB 5208 further directs DECD to establish teams for the purposes of expediting state and local permits. These teams are to be comprised of staff from DECD, CONNDOT, and DEP as well as the applicable regional planning agency and, as an option, municipal staff. While we applaud this strategy, its implementation may be difficult. Rather, we would suggest the hiring of a permit ombudsman, to be located within DECD, to be the sole point of contact to coordinate all activities associated with expedited permits. DECD could charge a nominal application fee, which would be used to administratively fund the activities of the ombudsman and his activities.

Finally, drafting of project-specific Memorandums of Understanding (MOU) could potentially be labor intensive, thus slowing down the process. DECD would suggest that rather than having an MOU for each project, the ombudsman would have the authority to direct all parties involved (DECD, DOT, DEP, etc), thus allowing the process to move expeditiously.

In closing, DECD believes that this bill is a step in the right direction to helping support business growth in the state. We look forward to working with the committee on this bill and would welcome the opportunity to assist in any way possible.

Thank you for your time and consideration of the department's comments.